

REMARKS

With the entry of the foregoing amendments, claims 1 and 6-20 are pending. Favorable consideration is requested.

In line with the helpful comments of the Examiner, applicant has amended the claims to address the Section 112, Section 101 and the prior art rejections. More specifically, claim 1 has been amended to place the claim in more conventional U.S. patent claim format, by incorporating the subject matter of claim 2, and by incorporating additional subject matter concerning potassium hydroxide and other features as supported by the specification, for example, on page 7, line 33, etc. Claims 2-5 have been cancelled without prejudice. The other claims have been amended to place them in more conventional U.S. patent claim format and in line with the Examiner's comments and suggestions. Applicant thanks the Examiner for the helpful comments and suggestions. No new matter has been added by the amendments.

Applicant submits that the claim amendments render moot the Section 112 and Section 103 rejections.

Turning to the prior art rejections, applicant submits that the claim amendments render moot all of the rejections, including the rejection of claims 2, 3 and 6 as allegedly being obvious over McGrew (U.S. Patent 5,521,030) in view of Morales (U.S. Patent 6,749,997) and evidenced by Watrous (U.S. Patent 4,092,611), Lercel (U.S. Patent 6,635,398) and Meyer (U.S. Patent 2,409,119). Applicant submits that this rejection is rendered moot for at least the following reasons.

The claimed invention is directed to a method for creating optically variable master images presenting significant advantages over existing techniques in terms of cost and reduction to practice. This claimed method is novel and results in non-diffractive images which retain a

sufficient graphic resolution to render optically variable features of equivalent quality to those obtained using holographic or e-beam origination techniques.

The claimed method is also non-obvious. Indeed, the claims concern a specific machining method with the specific aim of obtaining easy-to-replicate optically variable image structures. This contrasts with the general methods described in the cited art, e.g., Morales (6,749,997), to obtain embossed generic 3D structures and with which it is not disclosed that optically variable images can be obtained.

In summary, applicant is claiming a specific method for the specific purpose of creating optically variable image devices, and the results specifically obtained using this method, namely, nickel shims electroformed from the original substrate machined according to the claimed method and markings replicated using the aforementioned shims.

The cited references either individually or in any “reasonably apparent” combination (to borrow a phrase from the *KSR* Supreme Court decision) does not render obvious or yield the claimed invention. The primary reference, McGrew does not disclose or suggest the claimed method of using an origination shim to replicate an optically variable transitory image relief pattern, wherein the origination shim is fabricated by a micromachining process comprising the successive steps of photolithography, etch-mask layer patterning, and bulk substrate potassium hydroxide wet chemical etching, and wherein the bulk substrate consists of <100> oriented monocrystalline silicon.

The secondary reference, Morales, does not overcome the deficiencies of McGrew. In fact, the claimed wet etching of the origination substrate is in stark contrast with the technique disclosed by Morales, which is a plasma etching process (i.e., this is a dry etching technique -- completely unlike the potassium hydroxide wet chemical etching of the claimed invention).

LEUNG KI
Appl. No. 10/588,291
May 16, 2008

Furthermore, our claimed method is entirely different than the method disclosed in Morales because in our claimed method there is no thin film metal deposition process and the shim is “peeled” from the original substrate, leaving the former intact. In contrast, Morales’ method **destroys** the original substrate. Moreover, the Morales method would not be practical for the replication of optically variable image devices, and Morales makes no claim in that sense. The other cited references do not overcome the deficiencies in the primary and secondary reference. Thus, applicant submits that the claimed invention is not obvious.

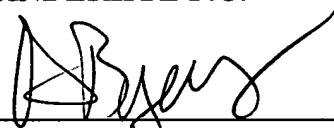
In view of the foregoing amendments and remarks, applicant submits that the application is in allowable condition. A notice to that effect is earnestly solicited.

If the Examiner has any questions concerning this application, the undersigned may be contacted at 703-816-4009.

Respectfully submitted,

NIXON & VANDERHYE P.C.

By: _____



Duane M. Byers
Reg. No. 33,363

DMB:lfo
901 North Glebe Road, 11th Floor
Arlington, VA 22203-1808
Telephone: (703) 816-4000
Facsimile: (703) 816-4100